

3/22/78 [1]

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THE PRESIDENT'S SCHEDULE

Wednesday - March 22, 1978

8:30 Dr. Zbigniew Brzezinski - The Oval Office.

8:45 Mr. Frank Moore - The Oval Office.
(15 min.) (Last 5 Minutes: Photograph with Congressman
Goodloe E. Byron).

10:30 Mr. Jody Powell - The Oval Office.

11:00 Meeting with His Excellency Menachem Begin,
(60 min.) The Prime Minister of Israel. (Dr. Zbigniew
Brzezinski) - The Cabinet Room.

1:30 Vice President Walter F. Mondale, Mr. Frank
(20 min.) Carlucci, Dr. Zbigniew Brzezinski and Mr. Hamilton
Jordan - The Oval Office.

2:00 Meeting with His Excellency Alejandro Orfila,
(15 min.) Secretary General of the Organization of American
States. (Dr. Zbigniew Brzezinski) - The Cabinet Room.

3:00 Drop-By White House Reception for International
(15 min.) Women's Year. (Ms. Midge Costanza) - The East Room.

4:45 Meeting of the House Committee on International
(30 min.) Relations. (Mr. Frank Moore) - The Cabinet Room.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

22 March 1978

TO: THE PRESIDENT
FROM: RICK HUTCHESON *RH*
SUBJECT: Memos Not Submitted

1. MIKE BLUMENTHAL MEMO on his (and Schultze's) March 9 trip to Ottawa to meet with the "top Canadian economic team." They "covered no new ground," but it was "useful to get acquainted." ✓
2. ZBIG BRZEZINSKI sent you an article from The Trib about the Singer Company's reliance on sales to developing countries. The article's point is that Singer is branching out to new, Third World markets in an effort to achieve future growth. ✓
3. PETER BOURNE NOTE. Because of the delay in obtaining clearances, it will probably be another two months before the World Hunger Commission can be set up. ✓

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

March 14, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BZEZINSKI *RB for*

SUBJECT: U.S. Economic Relations with the
Developing World

In your comments on the draft outline of the Caracas speech you referred us to an article in the New York Times by Stephen Goodman of the Singer Company. Goodman's thesis, that financial transfers to the developing world will sustain economic activity in the industrialized countries, will be incorporated in the Caracas speech. A member of my staff has spoken to Goodman who referred to the decisions in the United States regarding the credit worthiness of the developing countries as a constraint on private transfers to the developing world. We will keep this issue under examination.

Because of your interest in the Goodman article you may also want to read the attached article from The Trib about the Singer Company and its reliance on sales to developing countries.

1492

MAR 20 1970



SINGER AND THIRD WORLD... 'We're the Sears of That Area'

The Singer Company, in an effort to bolster its growth into the 1980s and beyond, has turned its sights to what has been a slowly growing market for the industrial firm — the developing countries of the Third World.

In a recent interview after completing a trip to nations in the Far East where Singer already operates — Thailand, the Philippines and Singapore — company chairman Joseph B. Flavin said, "What became clear to me (during the trip) is that you're lacking in a retail distributor in that part of the

By Robert J. Kozma

world. The opportunity to become a major (distributing) factor is there."

"We're the Sears of that part of the world," Flavin said. While the company sells sewing machines in these countries, "our business is more home equipment than sewing machines, about 60:40." He explained that the company is either the leader or number two in many Third World countries in the sale of refrigerators, television sets, gas ranges and other consumer items.

But Singer wants to expand these operations, Flavin said. "We're going to create a strategy to attempt to become a major distributor of consumer goods" in the more advanced third World nations which "are stable and will move forward."

"In those areas where things are not as stable, we're not active and we won't be until things settle down," he added.

A large part of Singer's retailing success in these countries, Flavin said, is due to its installment sales policy, which is important since per capita income in these countries ranges from \$600 to \$2,000 a year.

Flavin said the opportunities for Singer to move to a greater extent into distribution of big ticket items "don't exist in established markets but they do in developing countries." Flavin said that a number of years ago Singer tried to add other consumer items to its retail stores in the U.S., "but it didn't work."

The company hasn't decided about starting any manufacturing facilities in these countries. "It's probably not right for us," the grayhaired 49-year-old executive



BANGKOK DELIVERY . . . salesmen in Thailand deliver refrigerator and sewing machines in "long boat" via the canal networks.

said. "Our power is distributing. We have something to offer that will grow." He said Singer buys the consumer items from local manufacturers in the different countries and sells them under the Singer name. He said Singer could help these local manufacturers expand their operations if need be.

The tantalizing question concerning Singer's current overseas distribution efforts that Flavin rhetorically asked was, "What if Singer had done that (in the U.S.) in 1920, when Sears was just a catalog store?"

If Singer had done that, perhaps it wouldn't have found itself in an unhealthy position in 1975, the year Flavin was hired. He was executive vice president of Xerox Corp. in charge of international operations ("I ran half the company").

When he came aboard, Singer had suffered through two years of steadily declining operating earnings. Flavin's first move in turning Singer around was to divest of the business machines division, which was losing money, together with some other operations at a write down of about \$400 million.

It was one of the largest writedowns in recent U.S. business history.

Flavin sees branching out into new markets — such as the Third World — and expanding its three main business areas — sewing products, consumer products and products and services for the government — as Singer's way to achieve future growth.

Although sewing products account for about half of Singer's sales (which in 1977 totaled \$2.29 billion compared with \$2.12 billion in 1976), Flavin said this area will not have spectacular growth because the market in developed countries is "mature." However, Flavin said "just because it's not a growth business today, I'm not saying it's not a good business for us."

The sewing business for Singer is essentially two businesses — consumer and industrial sewing. And the consumer market is further broken down into the developed and developing markets.

In the developed consumer markets, Flavin said the company is trying to better control its production capabilities by reduc-

ing excess manufacturing capacity. It is also working to improve its electronic sewing machine models because "the path of sewing in highly developed countries is electronics."

The developing market for sewing machines accounted for about 20 percent of Singer's total dollar sales in 1977, Flavin said, and about 40 percent of the sales of the sewing products division. Sewing machines are "an economic necessity" in developing countries, he said, and the countries will need a large number of machines.

Commenting on the industrial sewing machine market, Flavin said Singer's problem is that it "didn't put the money into it that we should have." He said the company's Centurion industrial sewing machine "is a winner, but we need more products. We don't have the products we should have."

The Centurion had production problems in 1977, Flavin said, and the company lost money on the machines sold in 1977. Singer is making a little money on the machines at the present time, but still wants to bring production costs down further.

Flavin is enthusiastic about Singer's consumer products business ("That's where I see growth coming," he said). Sales in this division rose last year to \$609.5 million from the prior year's \$499.7 million.

Singer is the number-two manufacturer of power tools (after Black and Decker) and sells the products through Sears stores under the "Craftsman" label, Flavin said. "Do-it-yourself continues to be good," he said. "1978 will be another dandy" for this area.

Singer also supplies Sears with most of the upright vacuum cleaners sold in the retail chain, Flavin said. It does not supply canister models to Sears, he noted, but the company supplies Whirlpool with motors used in their canister models, "at Sears' request."

Singer also makes air conditioners, and Flavin said that Singer is right behind the three industry leaders, Carrier Corp., General Electric Co., and Trane Co. "It's a weak industry," he said, and "we believe we have as good a chance as anybody" to do well.



LIMITED OFFICIAL USE

THE SECRETARY OF THE TREASURY

WASHINGTON

PRIORITY

March 21, 1978

MEMORANDUM FOR THE PRESIDENT

Subject: My March 9 Trip to Ottawa with Chairman Schultze

I am pleased to report that my March 9 trip to Ottawa with Charles Schultze served U.S. policy aims quite well. The primary purpose of the trip, as a follow-up to Vice President Mondale's trip in January, was to demonstrate the importance we place on our relationship with Canada. I think it was also useful to get acquainted with and strengthen our working relationship with the top Canadian economic team. We covered no new ground but the meetings with Finance Minister Chretien, Central Bank Governor Bouey and Treasury Board President Andras provided a friendly and open setting in which to get acquainted and to exchange views in a frank manner. Chretien, in particular, impressed me as a comer in Canadian politics.

Chretien outlined recent economic developments and current policy concerns. Charlie and I described the outlook for the U.S. economy and our exchange market policy. At Vice President Mondale's request I expressed our interest in the Kitimat oil port and pipeline project. Chretien replied that there had been no final decision, but environmental and fishing interests raised serious questions about the value of the project for Canada.

File

W. Michael Blumenthal

cc: Vice President Mondale
Chairman Schultze

LIMITED OFFICIAL USE

THE WHITE HOUSE

WASHINGTON

March 20, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: PETER BOURNE **P.B.**

SUBJECT: WORLD HUNGER UPDATE

We have prepared an expanded list of names for you to consider for the Commission. We are waiting on Frank to call Byrd and O'Neill regarding Congressional representation before we return the list to you.

The Interagency Working Group has prepared a draft message to the Congress for you to send at the time you sign the Executive Order. Both are presently being circulated to the agencies for comment.

Because of the necessary delay in obtaining clearances on the people after they are chosen for the Commission, we anticipate that the Commission will not actually be able to be set up for approximately two months.

PGB:ss

THE WHITE HOUSE

WASHINGTON

March 22, 1978

Lone
J

Mr. President --

Jack Spalding retired recently from his position as editor of The Atlanta Journal.

According to Andy Glass, Jack will go into the hospital Sunday to be operated on for lung cancer.

I thought you would want to either call or drop him a note.

He will be out of town until Thursday night, but Friday and Saturday he will be at his home:

6905 Riverside Drive, NW
Atlanta, Georgia 30328
Phone: 404-255-0834

Sunday he goes into the hospital:

Piedmont Hospital
1968 Peachtree Road, NW
Atlanta, Georgia 30309
Phone: 404-355-7611

(This is the main number,
direct number not yet
determined)

*Jack was always the man
one of the best at what he
is at has a good man.*
John

1437

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Jim McIntyre:

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Stu Eizenstat
Jack Watson
INSPECTORS GENERAL BILL (H.R. 8588
BORRKS AND FOUNTAIN)

THE WHITE HOUSE
WASHINGTON

3/21/78

Mr. President:

Watson, Eizenstat and Congressional Liaison concur with McIntyre.

Rick

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
	/	EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
	/	WATSON
/		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
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	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Jim
J

MAR 15 1978

MEMORANDUM FOR THE PRESIDENT

FROM: James T. McIntyre, Jr. *Jim*
SUBJECT: Inspectors General Bill (H.R. 8588 - Brooks
and Fountain)

Background

Jack Brooks held hearings on the original Inspectors General Bill last summer. Although the bill was amended to meet some Administration objections, major problems remained. It was reported out unanimously by the House Committee on Government Operations on August 5, 1977. It was ready for floor action on September 27, when the Speaker pulled it from the calendar at Frank Moore's request.

Since that time we have sought to reach a compromise because of Jack Brooks' displeasure at the Speaker's September action and because of his intense personal belief in the need for Inspectors General in key domestic departments and agencies. Since last fall my staff and the staff of the House Government Operations Committee have extensively discussed further modifications that might be made on the floor in return for our support of the bill. Brooks has now agreed to delete or modify a number of provisions that we found especially objectionable. Though he is unwilling to meet all of our concerns, substantial progress has been made. If we agree to support the bill--with the modifications discussed below--Brooks will introduce a substitute incorporating them. If we reject the proposed modifications as unsatisfactory, Brooks will go with the reported bill.

Frank Moore's soundings and my own, as well as those taken independently at our request by the Justice Department's Office of Legislative Affairs, have lead us to conclude that, no matter what we do, the bill will pass overwhelmingly in both houses.

By way of background, there are now two I.G.'s created by law in domestic departments, at HEW and at the Department of Energy.

HEW's Inspector General has functioned reasonably well in its first year of operation and has received favorable public and Congressional notice. The I.G. in DOE is just getting underway. Both operate under laws that contain a number of the objectionable features Brooks has given up in the proposed compromise: they report directly to Congress; the President may not remove them without explaining his action to Congress. HEW's I.G. is required to report OMB and HEW cuts in his budget requests to Congress. All of these elements have been removed from the proposed compromise bill as a result of our discussion.

Contents of the Bill

With the proposed amendments, the bill would establish an Office of Inspector General in 12 departments and agencies (Agriculture, Commerce, HUD, Interior, Labor, Transportation, CSA, EPA, GSA, NASA, VA, and SBA). Their present audit and inspection units would be consolidated under an assistant secretary-level Inspector General appointed by the President, and confirmed by the Senate.

Under the general supervision of the agency head, an Inspector General would:

- ° prepare semi-annual reports on the activities of the office to be submitted to the agency head 30 days in advance of their transmission to the Congress. The agency head's comments and views would be included in the report. Brooks has agreed that the legislative history will reflect our view that this procedure will not override other laws prohibiting or limiting disclosure, nor will it waive any of the constitutional powers of the President. In the Justice Department's opinion, these powers include the duty to oversee the flow of information to Congress;
- ° be required to report to the Attorney General apparent violations of criminal law for possible investigation and prosecution by the Justice Department;
- ° be authorized to investigate any agency program;
- ° be subject to Hatch Act restrictions;
- ° be given independent hiring and contracting authority.

Major Agency Objections Dealt With in the Proposed Compromise

1. Constitutionality

A. Direct reporting to Congress:

- (1) The proposed new reporting provision and the legislative history which Brooks has agreed to is satisfactory to the Attorney General.
- (2) The I.G. no longer has the express right to report directly to Congress, as was the case in the original bill.

B. Limits on Presidential authority to remove an I.G. will be completely eliminated.

2. Budget and Management

- A. The new version neither requires (nor authorizes) the I.G. to report reductions in budget requests to Congress.
- B. Under the compromise, the I.G. will no longer be able to veto internal reorganizations.

3. Department of Transportation Internal Reorganization

Earlier, DOT strongly objected to the bill on the grounds that centralizing its investigation and audit functions would conflict with its decentralized or "modal" structure. Brooks has been adamant on this point, arguing that because of its fragmented audit organization DOT has one of the worst records in the area. Secretary Adams now agrees that the functions should be reorganized as mandated in the bill.

4. Privacy

Both OMB and the Domestic Policy Staff have strongly opposed a provision exempting the I.G.'s from certain sections of the Privacy Act which condition the disclosure of personal information. Neither the agency heads to whom I.G.'s report, nor the President, has such an exemption and we see no compelling reason to create one.

Chairman Brooks personally agrees but has asked us to support the bill with the understanding that we would oppose this provision in the Senate and that he would not object to its removal in Conference. We have a tentative agreement with Senate staff to remove the objectionable provision.

Conclusion

Even with the progress that has been made in meeting the Attorney General's concerns and those of other department and agency heads, it is clear that problems remain. All would prefer no legislation and several have established I.G. offices administratively. The single most significant objection, however, to the original bill--the submission of reports directly to Congress--has been particularly satisfied in the latest version.

Though administratively and constitutionally sound, the argument, made by a number of departments and agencies, that the Secretary should be specifically authorized to screen the I.G.'s reports will be extremely difficult to win. As a practical matter, we believe that control by the agency heads and the President is maintained: The I.G. is removable by the President at any time for any reason and the reports must go through the Secretary 30 days in advance of release to the Congress.

Recommendation

Although some dissatisfaction remains with some provisions, the proposed compromise is a significant improvement. We will likely see a far more objectionable bill enacted if we don't agree to compromise. Moreover, we would likely have difficulty sustaining the veto of a bill that will be sold as a major Congressional initiative to root out fraud, inefficiency, and waste. To wage such a fight effectively in an election year will be difficult if not impossible--and it may prove embarrassing. Finally, Chairman Brooks' continued support of the reorganization effort, including the civil service reform, is critical. I, therefore, recommend that we support the bill under the following conditions:

- (1) That the legislative history, acceptable to the Justice Department, make clear that the reporting section does not limit or waive Executive duties under the Constitution or other laws.
- (2) That we reserve the right to seek changes in the Senate in provisions for which we have expressed concern from the beginning, including further clarification in the reporting section, deletion of the Privacy Act exemption, and various minor but unnecessary limitations on an agency head's ability to control the budget, staffing patterns, and general administration of the Office of I.G.

Agree ☒ _____

Disagree _____

Comment _____

If you agree with supporting the bill in a conditional manner, I will be pleased to brief the Cabinet at our next meeting.

Agree ☒ _____

Disagree _____

Comment _____

J

ID 781437

THE WHITE HOUSE

WASHINGTON

DATE: 15 MAR 78

FOR ACTION: STU EIZENSTAT *concur*
JACK WATSON *attached*

FRANK MOORE (LES FRANCIS)

concur by Moore
Monday mid-day?

INFO ONLY: THE VICE PRSIDENT

HAMILTON JORDAN

BOB LIPSHUTZ

JODY POWELL

SUBJECT: MCINTYRE MEMO RE INSPECTORS GENERAL BILL (H.R. 8588)

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM FRIDAY 17 MAR 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

784437

THE WHITE HOUSE

WASHINGTON

DATE: 15 MAR 78

FOR ACTION: STU EIZENSTAT

FRANK MOORE (LES FRANCIS)

JACK WATSON

INFO ONLY: THE VICE PRSIDENT

HAMILTON JORDAN

BOB LIPSHUTZ

JODY POWELL

SUBJECT: MCINTYRE MEMO RE INSPECTORS GENERAL BILL (H.R. 8588)

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM FRIDAY 17 MAR 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: ☒ I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

*As modified, the bill is a good
idea - especially in an election
year.*

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 22, 1978

C
/

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Spn*
SUBJECT: ERA Extension

Before you decide to announce your support for extending the ERA deadline, I wanted to bring several factors to your attention. (I have checked and been unable to find a previous public statement by you on this subject; if you make the announcement, it will clearly be a major news item).

- (1) There is not unanimity among the women's groups for the extension. ERAmerica, for instance, opposes the extension at this time. Its view, as well as that many other women's groups, is that an extension removes the incentive to push ratification during the next 12 months. In addition, ERAmerica believes extension could move more states to attempt rescissions.
- (2) There is little apparent support in Congress for the extension. While support may pick up in the next Congress, as the ERA deadline approaches, it seems clear that Congress will take no action this year on extension. Your announcement of support might have greater impact when Congress decides to focus on the extension.
- (3) There has been, to my knowledge, no major pressure from women's groups to have you announce support for the extension. That is not to say that it would be impossible for some pressure to be generated if it were known that you were on the verge of a decision; but at this point, the issue is not one that women's groups have made one of their highest priorities.

I have no strong feeling about whether you should make an extension announcement today. I do think that such an announcement might be better timed six or more months from now and that the political benefit is decidedly marginal. But I do recognize that such an announcement today would please some women's leaders.

Mrs. Carter has publicly supported the extension. Before you make a final decision, you might talk with her about the tradeoffs of an announcement today.

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Ham Jordan:

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

WEEKLY STATUS REPORT ON
DEMOCRATIC NATIONAL COMMITTEE
OPERATIONS

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
/		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS BEEN


DEMOCRATIC

NATIONAL COMMITTEE 1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

C
/

MEMORANDUM

March 17, 1978

TO: PRESIDENT CARTER
THROUGH: HAMILTON JORDON
FROM: JOHN C. WHITE 
RE: WEEKLY STATUS REPORT ON DEMOCRATIC NATIONAL COMMITTEE OPERATIONS

WINOGRAD COMMISSION STATUS

1. We had a very successful meeting of the Democratic National Committee's Executive Committee on Thursday March 16, at which the Winograd Commission Report was formally presented. The Executive Committee will meet on the afternoon of the 9th of May, to hear from the proponents of the majority and minority reports and will take action on the Winograd report on May 10th. The Report will then be reported to the full DNC at its meeting in Washington on the 9th of June.
2. We had a beneficial meeting with Tim Kraft, Pat Caddell, Dick Moe, and Rick Hutcheson to co-ordinate our posture in regard to the more controversial aspects of the report.

PANAMA CANAL SUPPORT

1. On Sunday March 12, our office contacted by telephone 702 supporters in Nebraska and Montana requesting that they contact their Senators in regards to the treaties. We received an 81% commitment from this effort.
2. Follow-up calls were made to the National Federation of Democratic Women leaders in all states, and calls to Georgia leaders encouraging their support of Senators Talmadge and Nunn.

FUND RAISING

1. The Humphrey Leadership Fund direct mailing is proceeding and our plans for the dinners in Texas and California are beginning to firm up.

OTHER ACTIVITIES

1. A Campaign Training School is being held in San Francisco March 16-19.
2. The Democratic State Chairpersons Association is meeting in Memphis March 17-19.

PAGE TWO

3. The Democratic National Committee's Legislative Analysis Task Force has completed its "Goals for 1978" draft. This document is being circulated to members of Frank Moore and Stu Eizenstat's staffs for comments and 1500 copies should be distributed later next week.
-

CHAIRMAN'S ACTIVITIES AND APPEARANCES

1. On March 13th and 14th, I appeared before the COPE Conventions in Texas and Louisiana.
2. On March 18th I will address the Democratic State Chairpersons Association in Memphis, and will address the Jefferson-Jackson Dinner in Indianapolis, Indiana that evening.

1481

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Charles Schultze:

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

LATEST ECONOMETRIC ANALYSIS
OF RECENT EVENTS

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
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		MOORE
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		WATSON
		McINTYRE
✓		SCHULTZE

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	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

March 16, 1978

*Thanks
J*

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*
SUBJECT: Latest Econometric Analysis of Recent Events

We turned our mathematical model of the U.S. loose on today's events and it came up with the attached results.

enc.

CONGRATULATIONS

68 - 32

FROM THE GANG
AT CEA

1480

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Frank Moore:

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

THANKS FOR BILL CABLE'S
EXCELLENT WORK FROM THE
ATTORNEY GENERAL

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
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	/	MOORE
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	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



Office of the Attorney General
Washington, D. C. 20530

C
1

March 13, 1978

MEMORANDUM

To : The President

From: The Attorney General

I wish to express my gratitude for the excellent work done by Bill Cable of your congressional liaison staff. The Department of Justice was recently threatened with legislation which would have allocated authority to the Federal Election Commission to restrict the Justice Department's ability to bring certain criminal cases. This was an unprecedented and totally undesirable curtailment of our criminal prosecutorial discretion. My staff contacted Bill and asked for his help in the delicate mission of persuading the Committee Chairman to recede from such a position. We were pleased to learn the next day of his success.

I have been impressed with Bill's cooperative work with the Department on other occasions but I believe that this most recent accomplishment deserves special note.

William B. Bee

cc: Frank Moore

1579

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Frank Moore:

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Ham Jordan

ADMINISTRATIVELY CONFIDENTIAL

TELEPHONE CALLS ON PANAMA

*Admin
Confid*

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE

WASHINGTON

March 13, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M.*
SUBJECT: Telephone Calls on Panama

- ok for now - shaky -*
Will ck couple people in N.D.
1. Senator Ford: "I understand you had a bad day. Things are getting very close, and I am depending on you."
 2. Senator Zorinsky: "I understand that you presently intend to vote against the treaty because it does not contain an amendment providing for military bases after the year 2000. Frank Moore relayed the word to me, and I am very disappointed. I hope this is not an irrevocable decision. My Presidency would be crippled by rejection of the Treaties. I need your vote." (Zorinsky may turn you down, but we must give him a try.)
 3. Do not call Senator DeConcini tonight. We have just learned that he has filed a new amendment to the resolution of ratification which will probably have to be renegotiated with him. We should do this before you talk with him (Warren Christopher will talk with DeConcini tomorrow.)

Warren Christopher
Brooke L+
Burdick L+
Zorinsky -

Ford & DeConcini shaky
Munn & Long helping
Heinz, Swenker, Bellman key
Brooke

1413

THE WHITE HOUSE
WASHINGTON
March 22, 1978

Stu Eizenstat:
Peter Bourne:

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Tim Kraft
KILLERS AND CRIPPLERS

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

*send out
top page only*

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	McINTYRE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
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Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input checked="" type="checkbox"/>	ARAGON
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<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
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<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	GAMMILL

<input checked="" type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
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<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE WHITE HOUSE
WASHINGTON

3/15/78

Mr. President:

~~No~~ comment from Stu
Eizenstat, *attached*

The Press Office does not
think a public initiative
would be appropriate at
this time.

Rick

THE WHITE HOUSE
WASHINGTON
March 14, 1978

Stu - Peter
Set up another
30 min. meeting E me,
Joe re NSI &
health matters

MEMORANDUM FOR THE PRESIDENT

FROM: PETER BOURNE *P.B.*

TC

SUBJECT: KILLERS AND CRIPPLERS

This is to follow up on your note to me about a Killers and Cripples initiative without a commission which Joe Califano opposed.

As Joe and I both mentioned in our previous memos, H.E.W. is completing a year long study that will culminate in a plan for a major prevention program. The issue is whether you want to wait until June or July when they are proposing to produce a Surgeon General's report and a major Secretarial or Presidential statement, or move sooner so that you can be outfront and more personally identified with the issue. I would urge you to do the latter, because if you wait, the H.E.W. plan will be inevitably identified as the initiative of that Department and of Joe Califano even if you do make the formal announcement. Also the timing of the unveiling of the H.E.W. prevention plan is uncertain because it will have to be accommodated to the overall strategy on National Health Insurance.

There are several options to consider if you wish to move now:

(a) Make a major speech on "Killers and Cripples" to a selected audience. You have two invitations pending that would be appropriate for such a speech, and we could easily find others.

- The Preventive Medicine Institute of the Strang Clinic in New York wants to hold a dinner honoring you for your contribution to this field which they would schedule at your convenience.
- The American Medical Association has invited you to speak at their Fourth Annual Congress on Improving the Quality of Life to be held in Chicago, April 17-18th.

If you are inclined to make such a speech I recommend the A.M.A. meeting, because it would additionally be an important gesture to this group we have so far ignored.

(b) Do a Special Press Event. Meet for 30 minutes with 20 selected individuals from the Medical/Science press as you do with the out of town editors. We would include the specialty writers from the New York Times, Washington Post, Time and Newsweek. You would not have to talk about specific programs but about shifting the emphasis of our current efforts

toward prevention, both to improve health and reduce the cost burden on the health care system. Demonstrating your leadership in exhorting people to make specific changes in their life style would be the most important message to communicate.

(c) In depth interview. Rather than a group meeting with the press you could do an interview with Lawrence Altman, the highly regarded medical writer for the New York Times, or with someone else who could do a series of thoughtful columns on this topic.

(d) Fireside chat. You might want to consider doing a fireside chat during the next few months on the health issue in general and talk specifically about things people could do to improve their health, and reduce the impact of the "Killers and Cripplers".

In all of these events the thrust of your comments would be that more than anything the Federal government can do, the American people can make the biggest difference in improving the quality of their health. You could stress the need for exercise, diet, having your blood pressure taken, and possibly order people throughout the government to learn cardio pulmonary resuscitation. You could also ask the major health and social welfare professional associations to initiate programs of their own through their membership to get people to prevent the Killers and Cripplers. You could also point to what was accomplished in Georgia.

I think Joe Califano somewhat misconstrued what I intended with a public/private committee. I did not intend for a Presidential Commission to be established, but rather an unpaid advisory group that would provide continuity and place the focus of the top expertise clearly with you rather than with H.E.W.

DECISIONS

- (1) Wait for H.E.W. to complete their studies and recommend an overall prevention plan _____.
- (2) Develop a public initiative for you now _____.

I recommend (2)

If you agree to (2).

- (a) Speech on prevention.

APPROVE _____ DISAPPROVE _____

- (b) Do a special press conference.

APPROVE _____ DISAPPROVE _____

- (c) Do an interview with one selected writer.

APPROVE _____ DISAPPROVE _____

- (d) Fireside chat on broader health issues including Killers and Crippleers.

APPROVE _____ DISAPPROVE _____

THE PRESIDENT HAS SEEN.

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

March 3, 1978

To Mr. Bourne
How can we
get maximum
benefit out
of separate Commission?

JE

MEMORANDUM FOR THE PRESIDENT

FROM JOE CALIFANO *Joe*

SUBJECT: "CRIPPLERS AND KILLERS" COMMISSION

I agree with the importance of your getting out front and identified with prevention, particularly as it is popularly associated with killers like heart and lung disease, stroke, and cancer.

Several factors, however, raise serious doubts about setting up a Cripplers and Killers Commission at this time.

For the past year, as Peter Bourne points out in his memo, we have been working on the elements of a major prevention effort. One key element has been a major conference at the National Academy of Science's Institute of Medicine, which was held on February 16th thru 18th, just two weeks ago. The three key players in that conference were Doctors Hamburg, Richmond and Breslow (three of the six members of your proposed Presidential Commission).

The IOM Conference will make a final report no later than May 1st, which we believe will be a superb piece of work in this area. That report, coupled with work going on within HEW, will form the basis for two subsequent documents: a Surgeon General's report on prevention and a major Presidential statement (or Congressional message) on prevention.

In the context of these ongoing activities, the establishment of a Presidential Commission at this time will not be seen as a relevant or substantive move.

I believe you can get all the advantages of such a commission while engaging directly with the substance of our work by pursuing the following alternative:

THE WHITE HOUSE

WASHINGTON

March 20, 1978

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Bourne Memo re: Killers and
Criminals

I agree with Peter that preventive health should be an initiative with which you are personally identified. But I do not believe that this initiative should be undertaken separately from our NHI proposal.

If you unveil a prevention initiative prior to NHI it will be interpreted as a retreat from NHI. It would also preclude you from presenting NHI and the prevention initiative together as part of an overall national health policy.

ID 781413

THE WHITE HOUSE

WASHINGTON

DATE: 14 MAR 78

FOR ACTION:

INFO ONLY: STU EIZENSTAT

JODY POWELL

SUBJECT: BOURNE MEMO RE KILLERS AND CRIPPLERS

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED: FOR YOUR INFORMATION

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

Rick
Not a top priority for a
press event. A speech in another
matter.
W.W.

THE WHITE HOUSE

WASHINGTON

March 14, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: PETER BOURNE *P.B.*

SUBJECT: KILLERS AND CRIPPLERS

This is to follow up on your note to me about a Killers and Cripples initiative without a commission which Joe Califano opposed.

As Joe and I both mentioned in our previous memos, H.E.W. is completing a year long study that will culminate in a plan for a major prevention program. The issue is whether you want to wait until June or July when they are proposing to produce a Surgeon General's report and a major Secretarial or Presidential statement, or move sooner so that you can be upfront and more personally identified with the issue. I would urge you to do the latter, because if you wait, the H.E.W. plan will be inevitably identified as the initiative of that Department and of Joe Califano even if you do make the formal announcement. Also the timing of the unveiling of the H.E.W. prevention plan is uncertain because it will have to be accommodated to the overall strategy on National Health Insurance.

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DECISIONS

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- (2) Develop a public initiative for you now _____.

I recommend (2)

If you agree to (2).

- (a) Speech on prevention.

APPROVE _____ DISAPPROVE _____

- (b) Do a special press conference.

APPROVE _____ DISAPPROVE _____

- (c) Do an interview with one selected writer.

APPROVE _____ DISAPPROVE _____

- (d) Fireside chat on broader health issues including Killers and Crippleers.

APPROVE _____ DISAPPROVE _____

1525

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Richard Harden:

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Peter Bourne

MISS LILLIAN'S STATEMENT ON
WORLD HUNGER

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
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		MOORE
		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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X	BOURNE
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	H. CARTER
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	FALLOWS
	FIRST LADY
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	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

Richard -
ok - P.
Check -
Bourne
JC

THE WHITE HOUSE
WASHINGTON

March 21, 1978

MEMORANDUM FOR: THE PRESIDENT
FROM: RICHARD HARDEN *Richard*
SUBJECT: Miss Lillian's Statement
on World Hunger

It is our intention for your mother to make her first public statement indicating that she intends to become involved in the world hunger issue when she receives an award from the Greater Chicago Area Chapter of UNICEF on March 29th.

Attached is a draft of a statement I thought she might make in accepting the award.

Attachment

D R A F T

STATEMENT BY MRS. LILLIAN CARTER
AT THE ANNUAL BENEFIT GALA DINNER OF THE
GREATER CHICAGO AREA CHAPTER OF UNICEF

Wednesday, March 29, 1978

During my son's first year in office, I have watched as he has dealt with the many complex issues and problems facing our country. I have noted with pride his emphasis on human rights -- on helping the poor and disadvantaged around the world.

I learned while serving in the Peace Corps in India that one of the most basic human rights is the right to have food. I also learned that there is no simple answer to the problem of world hunger -- but with a little patience and a lot of hard work -- progress can be made.

After a year of watching, I have decided to give my son some help in dealing with this problem of world hunger. What am I going to do? I intend to work with people like you who are already actively involved. I plan to speak out on the problem and encourage other people to do likewise. I intend to meet with our political and business leaders to ask them what they are doing to try to help solve the problem. I intend to help focus attention on the projects that have been successful.

I thank you for the award you have given me tonight, and I applaud UNICEF and each of you for your efforts to help the children around the world.

Let me leave you with this thought. It is my hope and dream that the historians will say that my son set us on the course that eventually led to "a world without hunger."

ID-781525

T H E W H I T E H O U S E

WASHINGTON

DATE: 21 MAR 78

FOR ACTION:

INFO ONLY: STU EIZENSTAT

PETER BOURNE

ZBIG BRZEZINSKI

SUBJECT: HARDEN MEMO RE; MISS LILLIAN'S STATEMENT ON WORLD HUNGER

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

PRESIDENT JIMMY CARTER
DEPARTURE STATEMENT/PRIME MINISTER BEGIN
MARCH 22, 1978

1

THESE TWO SHORT DAYS HAVE BEEN SPENT IN A COMPREHENSIVE EXCHANGE
OF VIEWS ON THE MIDDLE EAST PEACE PROCESS.

I HAVE REITERATED TO THE PRIME MINISTER THE PROFOUND SUPPORT
OF ALL AMERICANS FOR THE SECURITY AND WELL-BEING OF THE STATE OF ISRAEL
AS IT APPROACHES ITS 30TH YEAR OF INDEPENDENCE.

2

WE SHARE ISRAEL'S PRIDE IN THIS MILESTONE.

ISRAEL'S ACHIEVEMENTS ARE UNIQUELY ITS OWN -- A MIXTURE OF HIGH
IDEALISM, INGENUITY AND SELF-RELIANCE.

AMERICANS HAVE ALWAYS FOUND AN ECHO OF OUR OWN FRONTIER PAST
IN ISRAEL'S ENERGY AND STRONG INDIVIDUALISM.

THIRTY YEARS AGO, ISRAEL WAS BORN INTO UNCERTAINTY AND A
THREATENING FUTURE.

SINCE THAT TIME, ISRAEL HAS SUFFERED MORE HARDSHIP AND TRAGEDY
THAN MOST NATIONS MUST ENDURE IN A CENTURY.

YET TODAY, ISRAEL STANDS AS A POWERFUL NATION, FIERCELY
INDEPENDENT AND DETERMINED TO FORGE ITS OWN POLITICAL DESTINY.

THE ISRAEL OF 1978 IS STRONG AND MORE SECURE MILITARILY
THAN AT ANY TIME IN ITS HISTORY.

WE IN AMERICA TAKE SATISFACTION IN THE KNOWLEDGE THAT WE HAVE
CONTRIBUTED IN SOME SMALL MEASURE TO THE REALIZATION OF THAT DREAM.

WE HAVE STOOD BESIDE ISRAEL FROM THE EARLIEST MOMENTS OF ITS BIRTH,
AND THERE WE SHALL CONTINUE TO STAND.

THIS VISIT BY PRIME MINISTER BEGIN HAS HAD ONLY ONE PURPOSE --
TO EXPLORE THE WAYS IN WHICH WE CAN BUILD OUR PAST COOPERATION INTO A
TRUE PARTNERSHIP FOR PEACE.

IN THE COURSE OF THESE MEETINGS, PRIME MINISTER BEGIN AND I
HAVE HAD AN OPPORTUNITY TO REVIEW IN CONSIDERABLE DETAIL THE
PRESENT SITUATION AND OUR PROGRESS TO DATE ON A COMPREHENSIVE
SETTLEMENT OF THE MIDDLE EAST CONFLICT.

AS ALWAYS, THESE DISCUSSIONS HAVE BEEN DETAILED AND FRANK,
AS TO BE EXPECTED FROM TWO PARTNERS IN THE PEACE PROCESS.

I HAVE REVIEWED FOR PRIME MINISTER BEGIN MY RECENT DISCUSSIONS
WITH PRESIDENT SADAT AND HAVE SHARED WITH HIM MY ASSESSMENT OF WHAT WILL
BE REQUIRED TO REGAIN MOMENTUM IN THE SEARCH FOR PEACE.

I EMPHASIZED TO HIM THE IMPORTANCE OF REAFFIRMING THAT ALL OF
THE PRINCIPLES OF SECURITY COUNCIL RESOLUTION 242 MUST APPLY ON ALL
FRONTS IF PEACE NEGOTIATIONS ARE TO SUCCEED.

IN THE PAST FEW MONTHS, WE HAVE HAD A GLIMPSE OF WHAT A PEACEFUL
FUTURE MIGHT HOLD.

WE HAVE COME TO APPRECIATE WHAT IT CAN MEAN IN TERMS OF HUMAN CONTACT
AND LIBERATION FROM THE DANGEROUS SELF-DEFEATING PATTERNS OF THE PAST.

AS PRIME MINISTER BEGIN RETURNS HOME, HE CARRIES WITH HIM OUR
HOPES AND DREAMS FOR A FUTURE FREE OF THE BITTERNESS AND VIOLENCE OF THE
PAST GENERATION.

WE KNOW THAT HE FACES BOTH A CHALLENGE AND AN OPPORTUNITY --
THE CHALLENGE OF PROVIDING SECURITY FOR HIS PEOPLE....AND THE OPPORTUNITY
TO ACHIEVE THAT SECURITY THROUGH A TRUE AND ENDURING PEACE.

IT IS OUR CONVICTION THAT THIS OPPORTUNITY MUST NOT BE ALLOWED
TO SLIP INTO THE CYCLE OF HATRED AND VIOLENCE WHICH HAS CHARACTERIZED
THE HISTORY OF THE MIDDLE EAST FOR THE PAST THIRTY YEARS AND WHICH WE
HAVE WITNESSED AGAIN OVER THE PAST TWO WEEKS.

WE PRAY WITH HIM THAT ALL THE PEOPLES OF THE MIDDLE EAST WILL
COME TO REALIZE THAT ANOTHER GENERATION MUST NOT BE ALLOWED TO
GROW UP LEARNING ONLY WAR AND DESPAIR.

PRIME MINISTER BEGIN DOES NOT RETURN ALONE TO HIS OWN COUNTRY.
HE CARRIES WITH HIM OUR DEEPEST HOPES AND PRAYERS.
WE STAND WITH HIM AS HE FACES THE CHALLENGES AND OPPORTUNITIES
OF ISRAEL'S GREAT DREAM.

AT THIS HISTORIC MOMENT, WHEN PEACE STILL SEEMS FAR AWAY,
WE RELY ON THE VISION AND HUMANITY OF A GREAT PEOPLE, BORN OF GREAT
SUFFERING, TO TRIUMPH ONCE AGAIN.

IN THIS MISSION, PRIME MINISTER BEGIN CARRIES WITH HIM THE
GOOD WISHES AND CONSTANT SUPPORT OF ALL THE PEOPLE OF THE U.S.

WE WISH HIM GODSPEED.

#

ALL PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson *Jack*

March 22, 1978

RE:

Coal Strike: Status Report

Mines in Production

- The report of March 21 from the Labor Department shows that there were 316 non-union mines that were in production as of the end of the day, Monday, March 20, 1978, which had not been in production before issuance of the temporary restraining order. Thirteen non-union mines which had not been in production since the beginning of the strike went into production on Monday. The estimated number of miners working in those 316 mines is 4,455, with an estimated daily production of 121,000 tons of coal.

- The total number of mines open on Monday, March 20, was as follows:

	<u>Mines Open</u>	<u>Miners Working</u>	<u>Est'd Daily Production</u> (000 tons)
UMWA	18	2,400	141
Other	<u>1,959</u>	<u>39,200</u>	<u>1,132</u>
TOTAL	1,977	41,600	1,273

- March 20 was the first working day since the request for extension of the TRO was denied. Although five fewer UMW mines were open on March 20 than on March 17, there were 19 more non-union mines open on March 20 than on March 17. Consequently, the total coal production increased approximately 5,000 tons per day.

Receipt of Coal as a Percentage of Burn

- For the week ending March 18, electric utilities nationwide actually received coal shipments which constituted 77% of what they burned. For the ECAR region, that figure

was 72.4%, and for the TVA, the percentage of coal receipt to burn was 98%. For a variety of reasons, the electric utilities are receiving more and more coal.

- As the weather warms, strip mines are producing more coal;

- Also as the weather warms, previously frozen stock piles of coal become available; (The National Weather Service's six to ten day outlook for Saturday, March 25, through Wednesday, March 29, calls for temperatures to average above normal over most of the nation, and temperatures to be much above normal from west Texas and the lower Ohio valley to the Atlantic coast.)

- The non-union mines which have gone into production since issuance of the TRO are producing a significant amount of coal; and

- As Ham and Landon pointed out in their memorandum yesterday, coal movement has been greatly expedited by the DOE efforts to expedite coal shipments, by firm law enforcement at the state level, and by NLRB action against illegal picketers.

In effect, the Administration's efforts to alleviate the coal shortage conditions have worked, and are working, very well. Ironically, the success of our efforts in this area undercuts our Taft-Hartley case of a "national emergency."

(For the week ending March 11, 1.25 million tons of coal was shipped into the ECAR region. For the week ending March 18, 1.54 million tons was shipped into the region, 350,000 tons came from the West, and the balance predominantly from non-union mines in the East.)

Law Enforcement

The report for Tuesday, March 21, from the Justice Department indicates that there were no serious incidents of violence or major disruptions. On Tuesday, the efforts of striking miners and their supporters to close down non-union mines shifted to Pennsylvania where both stationary and roving picketers were active. Generally speaking, the overwhelming majority of the mines continue to abide by the law.

Contract Ratification Prospects

The Labor Department reported this morning that the Mine Safety inspectors are discovering a generally favorable disposition toward the new contract. Ironically, it appears that Judge Robinson's decision not to extend the TRO is a major factor. The miners are apparently beginning to understand that the country can endure the strike longer than they can.

For your information, the collateral (non-mine related) unemployment figure has remained basically stable since February 25. The collateral unemployment in the eleven state region has hovered at approximately the 25,000 person level.

CC: L. Butler
S. Eizenstat
H. Jordan
R. Lipshutz
F. Moore
J. Powell
C. Schultze

1587

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Ham Jordan:

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

CONFIDENTIAL

FIRST QUARTER GNP

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12356, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1983"

~~CONFIDENTIAL~~

~~confidential~~

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
/		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

~~CONFIDENTIAL~~

CHARLES L. SCHULTZE, CHAIRMAN
LYLE E. GRAMLEY
WILLIAM D. NORDHAUS

March 21, 1978

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MEMORANDUM FOR THE PRESIDENT

FROM: Lyle E. Gramley *LEG*

Subject: First Quarter GNP

The Commerce Department circulated today its first, and very rough, estimate of GNP in the first quarter. These early estimates are for use within the government only, and are never published. Hopefully, they will not leak, because the news is bad.

Real GNP in the first quarter is estimated to have declined at an annual rate of 1.3 percent. This is considerably worse than we had expected. If this estimate holds up through subsequent revisions, it will be the first decline in real GNP since the first quarter of 1975.

The principal source of the decline was a drop in real personal consumption expenditures -- reflecting the weakness in retail sales in January and February. Residential and nonresidential construction also fell. The only area of significant strength in the first quarter was net exports. A rebound of exports following the end of the dock strike was partly responsible.

The GNP price deflator (a measure of an average price of all newly produced goods and services) is estimated to have risen at an annual rate of 7-3/4 percent in the first quarter, compared with a 6 percent rise in the fourth quarter of 1977. Sharply rising prices of food, farm products, and crude industrial materials were the main sources of the higher rate of inflation.

These early estimates of real GNP and the GNP deflator are based on partial data for the quarter -- figures for two months in some cases and only one month in others. Estimates of data for the missing months are used to come up with a quarterly figure for GNP.

DECLASSIFIED
E.O. 12356, SEC. 3.4(b)
WHITE HOUSE GUIDELINES, FEB. 24, 1983
BY *[Signature]* NARS, DATE *5/2/90*

This procedure has, in the past, often led to early estimates of GNP that are wide of the mark. A year ago, for example, the first unpublished estimate by Commerce showed a real GNP increase of 4.3 percent, at annual rates, in the first quarter of 1977; the final estimate was 7.5 percent.

We have looked over the March estimates of retail sales, housing starts, and other elements that went into the first quarter GNP estimate. They do not look unreasonable. The March rebound in economic activity, however, could readily exceed the proportions Commerce has assumed.

In any event, these first quarter GNP estimates do not provide any significant new information on the underlying strength of the economy. We have known that the economy was being adversely affected by weather and the coal strike, but that there were elements of weaknesses that we could not readily attribute to these two factors alone. It will take several more months of data to sort out the transitory factors from those of long-range significance.

1580

THE WHITE HOUSE
WASHINGTON

March 22, 1978

Frank Moore:

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

SEN. JAMES EASTLAND

PERSONAL AND ~~CONFIDENTIAL~~

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12326, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1983"

THE WHITE HOUSE
WASHINGTON

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	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON
March 21, 1978

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PERSONAL AND ~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *f.m./pd*

Senator James Eastland will announce his retirement tomorrow afternoon. This means that Cliff Finch will be in the race along with Thad Cochran for the Republicans, Bill Waller and State Chairman Pickering.

I suggest that you telephone Senator Eastland sometime tomorrow and express your regret at his decision, commend him on his many years of great statesmanship and tell him that you understand his reasons for retiring (Senate duties such as the immigration bill, the Civiletti matter, taxes, energy vs. running an eight month campaign 1000 away). You should tell the Senator that you appreciate his past support and then ask him if he can possibly give you his vote on the second treaty since he will not be running.

You should also invite Judiciary Chairman-to-be Ted Kennedy to play tennis with you or attend the Kennedy Center with you as soon as possible.

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12958, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1989"